TO: Air Quality Board

THROUGH: Bryce C. Bird, Executive Secretary

FROM: Sheila Vance, Environmental Scientist

DATE: September 5, 2018

SUBJECT: PROPOSE FOR PUBLIC COMMENT: New Rule R307-511. Oil and Gas

Industry: Associated Gas Flaring

In January of 2018, the Air Quality Board adopted a series of oil and gas rules that allowed the source category's minor source permitting process to be streamlined. These rules require the majority of oil and gas wells in the State to follow a set of rules instead of obtaining and complying with an approval order. As the rules have been implemented and applied the Division of Air Quality (DAQ) has learned that some oil and gas wells have been unable to take advantage of this streamlined approach as the set of rules did not include the control of associated gas from some wells. To support the ability of some sources to follow the permit-by-rule process, the DAQ is proposing to add an additional rule to the oil and gas 500 series rules to require the flaring of associated gas.

The proposed rule requires the associated natural gas from operating wells to be controlled as is required for other equipment, like storage vessels and dehydrators. The rule reflects current requirements from other regulatory agencies. Additionally, throughout the pre-rulemaking stakeholder process, there have been no comments made that the application of this rule would be burdensome. In fact, this allows these sources to take advantage of the streamlined permitting process in the same way other sources have.

Recommendation: Staff recommends that the Board propose the new rule R307-511 for a 30-day public comment period.